

Queen's professor says lower electricity rates key to increased growth

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Dr. Bryne Purchase will give the keynote address at the third annual GreenProfit conference.

If Bryne Purchase had his way, he would completely overhaul Ontario's decision-making policies around electricity pricing in a bid to both keep rates reigned-in and the province competitive.

"We are repeatedly shooting ourselves in the foot and sooner or later it's going to hurt," says Dr. Purchase, an adjunct professor in the School of Policy Studies. "We can't do anything about rising oil prices or a strong dollar. The one thing in our control is electricity pricing, but we have to make good choices."

Dr. Purchase, who has served as chief economist of Ontario and as the province's deputy minister of finance, among other roles, says a dramatic increase in the price of electricity in the post-war period has not served Ontario's interests. "Cheap and abundant energy is necessary for economic growth," he explains. "But over successive administrations, we have managed to increase the price of energy quite dramatically."

Dr. Purchase says that while the Great Lakes regional economy, including Ontario, has long been North America's "manufacturing heartland," first as a coal-based economy, and then as an oil-based one, it's losing that title. "It's only recently that the region has been replaced as a centre of global manufacturing with the rise of China," he says. "And over 70 per cent of China's energy comes from

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coal. We must find our way back to a competitive energy base.”

For Dr. Purchase, the solution to getting the province’s economy on track is in creating a new agency to oversee the province’s policies around electricity – and to keep it separate from politics. “There is a deep involvement of politics in the electrical mix – we need to change this. Nothing will ever change as long as we continue with the same decision-making process.”

Dr. Purchase will present his views as the keynote speaker at the [third annual GreenProfit conference](#), taking place on March 18 in Kingston. The event, which is oriented at leaders in industry and business, economic development, policy, research, the public sector and the broader community, will address the issues facing the sustainable energy sector.

Dr. Purchase’s latest book, [Navigating on the Titanic: Economic Growth, Energy and the Failure of Governance](#), will be released by McGill-Queen’s University Press in April.

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